

State of Alaska FY2003 Governor's Operating Budget

Department of Natural Resources Management and Administration Budget Request Unit Budget Summary

Management and Administration Budget Request Unit

Contact: Nico Bus, Administrative Services Manager

Tel: (907) 465-2406 **Fax:** (907) 465-3886 **E-mail:** nico_bus@dnr.state.ak.us

BRU Mission

See specific information at component level.

BRU Services Provided

See specific information at component level.

BRU Goals and Strategies

See specific information at component level.

Key BRU Issues for FY2002 – 2003

See specific information at component level.

Major BRU Accomplishments in 2001

See specific information at component level.

Key Performance Measures for FY2003

Measure:

Commissioner's Office - The percentage of divisions that meet the assigned performance measures.
Sec 108(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The department will meet 97.7% of their assigned performance measures reporting requirements. We are unable to report on the legislative measure in SLA2001, Ch90, Sec 115(b)(3) - "The percentage of total available agricultural acreage placed in production", since statistics are not available to accomplish this as written.

Although there is no official target provided by the legislature, which relates to the funding provided, the department attempts to meet all of its performance measures. Some of the measures are not readily available so we estimate them until a more formal study or report can be completed.

The Commissioner's Office has been collected data for the past few years on the divisions' performance measures and adjustments are made as needed.

Benchmark Comparisons:

The department hopes to measure up well against other departments and figure once a benchmark is established we will meet or exceed it.

Background and Strategies:

The department started the Performance Measures process several years ago and has statistical data to report on performance. There are detailed reports available to the Commissioner to see the patterns based on funding level compared to production level.

The overall outcomes are what we are most concerned with and are standing by to work with user groups, the Legislature, and the Administration to further refine our performance measures.

Measure:

Commissioner's Office - The revenue generated by the development and sale of natural resources.
Sec 108(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01 \$1.1 billion was received in total revenues.

Benchmark Comparisons:

There is no specific benchmark as we try to maximize the revenues to the state given the price of the commodity.

Background and Strategies:

The department's mission is to develop, conserve, and enhance natural resources for present and future Alaskans. This means that we try to meet the demand of the resource development in a responsible way and optimize our return in today's market but also by keeping an eye out for the future.

Measure:

Commissioner's Office - The average time taken to respond to complaints and questions that have been elevated to the commissioner's office.
Sec 108(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The department tracks formal correspondence through a Correspondence Tracking System (CTS). We do not track phone calls coming to the commissioner's office.
In FY01 it took an average of 15 days for the department to respond to items track in the CTS.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The department tries to respond to our customers as quickly as possible.

Measure:

Commissioner's Office - The average time taken to respond to appeals and reconsiderations that have been elevated from the divisions to the commissioner's office.
Sec 108(b)(6) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

This is the first year we are trying to measure our performance. The average response time is 29.2 days.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The department has regulations which set the criteria for us to respond to appeals and reconsiderations, which have been elevated to the commissioner's office.

Measure:

Administrative Services - The average time taken to pay vendors.
Sec 109(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01 the average vendor payment time was 24.2 days.

Benchmark Comparisons:

The standard for average vendor payment time is 30 days, before late charges and penalties are assessed.

Background and Strategies:

The strategy is for the department to pay the vendor community within 30 days, this helps both the State and the vendor community with their cash flow. Our goal is to not incur any penalty or late payment interest charges.

Measure:

Administrative Services - The number of late penalties for payroll.
Sec 109(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

We currently do not have any penalties for late payroll payments.

The goal is to have NO penalties for late payroll payments.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The most important issue for employees is to receive their paychecks on time and in the correct amount. We strive very hard to make sure all paychecks are mailed timely and that they are calculated correctly as this is good for morale and productivity.

Measure:

Administrative Services - The number of audit exceptions.
Sec 109(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The Department just received a "clean" Legislative Audit Report for the department's financial audit for the general fund activity for FY00. (report #10-10000-00)

Benchmark Comparisons:

The ideal is NO audit exceptions!

Background and Strategies:

An independent measure of the Administrative Services functions' success is a "clean" audit by Legislative Audit. Our strategy is to have all accounting, payroll, and procurement actions comply with state rules and regulations and generally acceptable accounting and business practices.

Measure:

Administrative Services - The cost of administrative services as compared to the total personnel costs for the department.
Sec 109(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The total Administrative Services Component cost for DNR in FY01 was \$2.2 million, as compared to the total personnel cost for the department of \$50.7 million. Using these numbers the administrative services rate is 4.34%.

Benchmark Comparisons:

There is no benchmark as all the Administrative Service Components and Departments have different functions and requirements.

Background and Strategies:

In DNR the Administrative Service Component includes the Anchorage Revenue Accounting and Billing Unit. This Unit is responsible for collecting and accounting for the department's \$1.1 billion in revenues from all its varied operations. We deal with a broad variety of revenues, from collecting the Oil & Gas Royalties, to billing for all the land contracts and leases, to mining claim rentals, water rights, park fees etc.

The overall strategy within DNR is to keep the Administrative Services Cost as low as possible in order to maximize the funding going directly to programs delivering services to the public and the industries we serve.

Measure:

Public Services Office - Number of customers assisted in person.

Alaska's Target & Progress:

Over 25,000 customers were assisted in FY01, a 67% increase from FY00. FY02 figures are above average.

Benchmark Comparisons:

Historical data indicates an average of 15,000 customers are served in person on an annual basis.

Background and Strategies:

The Public Information Center was created several years ago by combining all the service counters from each division into one central location. This makes the public interface much more efficient for the customer and creates efficiencies for other DNR employees. The Public Information Centers take in payments, process applications, assist the customers with research, and refer people to the proper DNR contacts or other agencies.

Measure:

Public Services Office - Number of customers assisted by the PIC web pages.

Alaska's Target & Progress:

In FY01, the PIC web site received 48,000 unique visits. Web visit frequency continues to increase.

Benchmark Comparisons:

Approximately 40,000 customers are served by the PIC web pages annually. The entire DNR website received over 192,000 unique visits during FY01.

Background and Strategies:

As the public becomes more literate with computers and the Internet, DNR seeks to utilize this tool to disseminate information and to conduct business processes. With Alaska residents as disperse as they are in this big state, we must utilize current technologies to better serve our remote clientele. The Public Information Center still plays a key role in this Internet interface with the public, as people still need assistance in finding what they seek. The PIC staff will continue to make the front door pages of DNR's web pages as user friendly, informative and efficient as possible.

DNR offers many services on the Internet. Land records, plats, geologic reports, and other research tools are available. Customers can make bill payments on line for many contractual services and mining claims. Our land sale programs utilize the Internet to distribute brochures and other pertinent information. Many applications, fact sheets and other program information are available for customers. We are currently developing ways to accept applications on line to reduce paper handling and to provide a better service to customers.

Management and Administration
BRU Financial Summary by Component

All dollars in thousands

	General Funds	FY2001 Actuals Federal Funds	Other Funds	Total Funds	General Funds	FY2002 Authorized Federal Funds	Other Funds	Total Funds	General Funds	FY2003 Governor Federal Funds	Other Funds	Total Funds
<u>Formula</u>												
<u>Expenditures</u>												
None.												
<u>Non-Formula</u>												
<u>Expenditures</u>												
Commissioner's Office	482.7	0.0	120.4	603.1	493.5	0.0	54.2	547.7	505.3	0.0	55.8	561.1
Administrative Services	1,553.0	0.0	648.7	2,201.7	1,564.6	0.0	576.5	2,141.1	1,601.8	0.0	655.5	2,257.3
Public Services Office	0.0	0.0	313.5	313.5	0.0	0.0	348.4	348.4	0.0	0.0	382.2	382.2
Trustee Council Projects	0.0	0.0	878.8	878.8	0.0	150.4	1,596.4	1,746.8	0.0	151.0	1,075.3	1,226.3
Totals	2,035.7	0.0	1,961.4	3,997.1	2,058.1	150.4	2,575.5	4,784.0	2,107.1	151.0	2,168.8	4,426.9

Management and Administration**Proposed Changes in Levels of Service for FY2003**

See specific information at component level.

Management and Administration**Summary of BRU Budget Changes by Component****From FY2002 Authorized to FY2003 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	2,058.1	150.4	2,575.5	4,784.0
Adjustments which will continue current level of service:				
-Commissioner's Office	11.8	0.0	1.6	13.4
-Administrative Services	37.2	0.0	15.0	52.2
-Public Services Office	0.0	0.0	7.8	7.8
-Trustee Council Projects	0.0	0.6	7.1	7.7
Proposed budget decreases:				
-Trustee Council Projects	0.0	0.0	-528.2	-528.2
Proposed budget increases:				
-Administrative Services	0.0	0.0	64.0	64.0
-Public Services Office	0.0	0.0	26.0	26.0
FY2003 Governor	2,107.1	151.0	2,168.8	4,426.9